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Right to education

Note by the Secretary-General**

The Secretary-General has the honour to transmit to the General Assembly the report of the Special Rapporteur on the right to education, Kishore Singh, in accordance with Human Rights Council resolutions 8/4, 17/3 and 26/17.

* A/70/150.

** The report was submitted late in order to reflect the latest information.



Report of the Special Rapporteur on the right to education

Summary

The report is submitted pursuant to Human Rights Council resolutions 8/4, 17/3 and 26/17. The Special Rapporteur examines public-private partnerships in education, which are inextricably linked to rapidly expanding privatization. He highlights their implications for the right to education and for the principles of social justice and equity. Lastly, he offers a set of recommendations with a view to developing an effective regulatory framework, along with implementation strategies for public-private partnerships in education, in keeping with State obligations for the right to education, as laid down in international human rights conventions, and the need to safeguard education as a public good.

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I. Introduction

1. The present report is submitted to the General Assembly pursuant to Human Rights Council resolutions 8/4, 17/3 and 26/17. The Special Rapporteur builds on previous reports on regulating private providers in education and safeguarding education as a public good (A/HRC/29/30) and privatization and the right to education (A/69/402). As demonstrated in the latter report, besides undermining the norms and principles of the right to education, as laid down in international human rights conventions, privatization is detrimental to education as a public good.
2. The rapid expansion of privatization caused by the deregulation and liberalization of the education sector has facilitated a push towards public-private partnerships. Those partnerships are inextricably linked with privatization. In the present report, the Special Rapporteur examines the global dynamics of public-private partnerships in education. He highlights the challenges of public-private partnerships in education in safeguarding education as a public good, bearing in mind the international legal framework for the right to education, as well as the principles of social justice and equity. The Special Rapporteur proposes a regulatory framework based on certain key principles of the right to education. Lastly, he offers a set of recommendations with a view to developing an effective regulatory framework for public-private partnerships in education, in keeping with State obligations for the right to education, as laid down in international human rights conventions.
3. During the reporting period, the Special Rapporteur undertook missions to Bhutan and Algeria and presented his thematic report on protecting education from commercialization to the Human Rights Council at its twenty-ninth session (A/HRC/29/30). In the report, he examined how the right to education can be protected from commercialization, with a focus on the challenges arising from for-profit private schools.
4. The Special Rapporteur also participated in public events on education and continued to collaborate with States, international organizations and non-governmental organizations (NGOs).
5. On 25 August, 2014, the Special Rapporteur gave a lecture on the post-2015 development agenda and the right to education at the Faculty of Legal Studies, South Asian University, New Delhi.
6. On 26 August, he addressed officials of various states of India during an orientation workshop on the Right to Education Act at the National University for Educational Planning in New Delhi.
7. On 2 September, the Special Rapporteur gave a lecture at the Indian Society of International Law in New Delhi on the theme of "The right to education as a human right: challenges and prospects for India".
8. On 21 October, he participated in a side event in New York hosted by Transparency International and Penal Reform International on corruption and its impact on human rights.
9. On 28 October, he was hosted by the Open Society Foundation to speak on his report to the General Assembly on privatization and the right to education (A/69/402).

10. From 4 to 6 November, he participated in the 2014 World Innovation Summit for Education in Doha on the theme of "Imagine-create-learn: creativity at the heart of education".
11. From 10 to 12 November, the Special Rapporteur attended the World Conference on Education for Sustainable Development, held in Aichi-Nagoya, Japan, where he was a panellist at a plenary session.
12. On 20 November, he gave the inaugural address at a meeting on "service learning" organized by the University of La Rioja, Spain.
13. On 25 November, he gave a guest lecture at Queen's University in Belfast, United Kingdom of Great Britain and Northern Ireland, on the theme of "State responsibility for the provision of quality education to every child".
14. From 28 to 30 November, the Special Rapporteur attended a meeting of the World Human Rights Forum in Marrakech, Morocco, interacting with many civil society organizations and focusing on the right to education in his address at the closing ceremony.
15. On 16 December, he addressed issues in quality education at the 2014 International Conference of NGOs on the post-2015 development agenda, hosted by the United Nations Educational, Scientific and Cultural Organization (UNESCO) in Paris.
16. From 9 to 11 January 2015, the Special Rapporteur attended the World Congress on International Law, organized by the Indian Society of International Law in New Delhi, and co-chaired a plenary session on the implementation of international law.
17. On 15 January, he was a lead speaker at an event organized by the Right to Education Forum in India, in cooperation with the UNESCO New Delhi office, in connection with his report of 2014 to the General Assembly.
18. On 23 February, he spoke at the opening of the fifth World Assembly of the Global Campaign for Education, in Johannesburg, South Africa, underlining the need for safeguarding education against the forces of privatization. The World Assembly in its deliberations aligned itself fully with the recommendations he had made in his report of 2014 to the General Assembly.
19. On 18 March, the Special Rapporteur participated in a round table on privatization in education and social justice, organized at the Institut d'études politiques (Sciences Po) in Paris to examine issues of privatization in education. He also gave a public lecture on the theme of "Privatization in education: a new challenge for human rights in developing countries".
20. On 20 March, he addressed the challenges of effective realization of the right to education in its interface with the right to development, as a panellist at an event on the implementation of economic and social rights and State obligations under the human rights conventions, organized by the Permanent Mission of Fiji to the United Nations Office and other international organizations in Geneva.
21. On 26 March, he gave a keynote address focusing on preserving education as a public good in the face of the negative effects of privatization at a session on the theme of the right to quality education and the post-2015 development agenda, organized on the occasion of the World Social Forum in Tunis.

22. On 15 April, the Special Rapporteur delivered a statement at the opening of the general discussion on the right to education of persons with disabilities, organized in Geneva by the Committee on the Rights of Persons with Disabilities, with a view to formulating a general comment on article 24 (right to education) of the Convention on the Rights of Persons with Disabilities.
23. On 22 April, he gave a guest lecture at Cornell Law School, New York State, on the negative effects of privatization in education, highlighting State obligations and the need for preserving education as a public good.
24. On 25 May, he gave the opening address at an international conference on the justiciability of the right to education and the post-2015 development agenda, organized by the Centre for Law and Policy Research in Bangalore, India, from 25 to 27 May.
25. On 10 June, the Special Rapporteur took part in a round-table expert consultation on public private partnerships in education, hosted by the Open Society Foundation and interacted with experts from universities in Europe, North America and Asia, while addressing the issues of private-public partnerships and the right to education in their interface with privatization in education.
26. On 10 June, he also took part in a seminar on the application of standards on economic, social and cultural rights in domestic law, hosted by the International Organization for the Right to Education and Freedom of Education and the Permanent Mission of Portugal to the United Nations Office and other international organizations in Geneva and, as the main speaker, focused on the justiciability of the right to education.
27. On 12 June, he spoke at an event on human rights policy responses to the growth of private actors in education, hosted by the Global Initiative for Economic, Social and Cultural Rights, the Right to Education Project, the Privatisation in Education Research Initiative and the Geneva Academy of International Humanitarian Law and Human Rights. His intervention underlined the need to address the concerns raised by growing privatization in education and the need for effective mechanisms to control abusive behaviour.
28. On 16 June, the Special Rapporteur spoke at the Human Rights Council panel on "Realizing the equal enjoyment of the right to education by every girl". He emphasized the need to ensure the quality of education and a safe school environment for girls, and the State obligation to take a human rights approach to safeguarding girls' right to education. He urged States to take positive measures.
29. On 18 June, he held an interactive dialogue with a Geneva-based NGO, Platform on the Right to Education, at an event organized in support of his report to the Human Rights Council.
30. From 22 to 27 June, he attended the nineteenth Conference of Commonwealth Education Ministers, hosted by the Bahamas, addressing the key issues relating to the right to education at the regional ministerial caucus. He also addressed the teachers' forum organized during the conference, emphasizing the need for safeguarding education from privatization, especially its negative repercussions on the teaching profession.
31. On 23 July, he addressed a plenary session of the seventh World Congress of Education International, held in Ottawa, and underlined the importance of the

resolution adopted by the World Congress on privatization in and commercialization of education and also dwelt upon its repercussions for the teaching profession.

32. On 29 July, the Special Rapporteur participated in a workshop on the challenges of public-private partnerships in realizing the right to education, convened by the Oxford Human Rights Hub and the Open Society Foundation, and highlighted key challenges in his opening remarks. He also made concluding remarks, mentioning the importance of those discussions for the present report.

II. Right to education and the global dynamics of public-private partnerships

33. One can witness today the broad neoliberal policy trend towards the private provision of historically public services.¹ Privatization is being driven by an increasing number and range of public and private actors at the global, regional and national levels. The rapidly changing global landscape of education, with the phenomenon of public-private partnerships as a form of management and service delivery in education, is in part prescribed by the donor community and international financial institutions. The private sector is now deeply embedded in education at all levels from policy and research work to delivering learning in classrooms.² States cease to be fully responsible for the provision of education directly to their citizens but rather assume the role of a contractor of services delivered by a range of private providers.

34. The World Bank and the International Finance Corporation have been key proponents of public-private partnerships and have been particularly instrumental in facilitating the replication of what they consider to be successful pilots or experiments in partnerships between Governments and the private sector. A small cluster of large, powerful, global management firms have taken large interests in such public-private partnerships.² Outsourcing education activities to profit-making corporations opens the space for them not only to make a profit, but also to steer education agendas in ways that may not be in the best interest of students, parents and teachers and thus societies as a whole.

35. In its resolution 1.1 on privatization and commercialization in and of education, the seventh World Congress of Education International, held in Ottawa in July 2015, deplored the fact that, in many countries, Governments had abrogated their core responsibility to ensure the right to education for all through a fully accountable free, quality public education system and were increasingly turning to partnering with, or subsidizing, private actors to deliver education.

36. Multi-stakeholder initiatives are being propounded as innovative models to bring together corporations, Governments and civil society organizations under the guise of public-private partnerships to tackle global issues. That often negates

¹ See World Economic Forum, *Global Redesign: Strengthening International Cooperation in a More Interdependent World* (Geneva, 2010).

² See Susan L. Robertson and Antoni Verger, "Governing education through public private partnerships", Centre for Globalisation, Education and Societies, University of Bristol, United Kingdom (2012).

reality by refusing to examine the power structures and vested interests that motivate players and must be critically looked into.³

37. Various non-State providers or stakeholders in education — the private sector, NGOs, civil society organizations, communities and foundations — have different motives and interests and may pursue different objectives. The private sector generally pursues its business interests and is motivated by profit, whereas community and civil society organizations and foundations are often devoted to social services in a philanthropic spirit and should be distinguished from the for-profit private actors.

38. The State has the primary responsibility for the provision of public education. Other stakeholders, including private partners, have a social responsibility when they offer to join hands with Governments to complement their efforts and serve education as a social cause. In all situations, public-private partnerships must be underpinned by State responsibility, as well as a societal interest in education. That responsibility is ignored by the proponents of public-private partnerships who advocate the need for an “enabling environment” conducive to the interests of the private sector.

39. With a wide range of arrangements and modalities, public-private partnerships in education, like privatization, are becoming endemic in education at all levels. Proponents of public-private partnerships see them as the best way to overcome ineffective government mechanisms and as a potential means to introduce innovations in teaching strategies, increase flexibility, broaden participation and complement the strengths and resources of the State through the provision of books, infrastructure and other goods and services for basic education.

40. Massive open online courses, portrayed as an alternative path to gaining access to higher education, can also involve “creating partnerships between educational institutions in developed and developing countries, Governments, development agencies, or the private sector”.⁴ However, the commercial interests of providers, which enable them to “enter the higher education market using a [massive open online courses approach]”, can be the *raison d'être* for offering such courses.⁴

41. Cross-border higher education, which involves international branch campuses and direct foreign ownership or investment in national educational institutions, is being promoted under the guise of public-private partnerships.⁵

42. In her introductory remarks to an online workshop on the challenges of public-private partnerships in realizing the right to education, organized by the Oxford Human Rights Hub and the Open Society Foundations, the Director of the Human Rights Hub stated that public-private partnerships, where States incorporated private sector actors in one form or another in the provision of education, were rapidly growing, often in areas of disadvantage and poverty. However, that move has not

³ See Lou Pingcot, “Corporate influence in the post-2015 process”, Bischöfliches Hilfswerk MISEREOR, Brot für die Welt and Global Policy Forum (January 2014).

⁴ Clara Franco Yanez, “DeMOOCrazation of education? Massive open online course, opportunities and challenges: views from Mexico, Thailand and Senegal”, NORRAG (December 2014).

⁵ *ASHE Higher Education Report*, vol. 36, No. 3 (August 2010).

been driven by human rights concerns. On the contrary, a human rights perspective has often been absent from the discourse.⁶

43. The impact of public-private partnerships on education needs careful consideration. Key issues include: whether it results in public disinvestment in education to the advantage of private sector; whether it is an abdication of State responsibility to meet its obligation to provide quality public education to all its citizens; the repercussions on education as a public good; and whether it is undermining the norms and principles of the right to education.

III. Diverse modalities and arrangements of public-private partnerships in education: need for a differentiated approach

44. Public-private partnerships in education may take many forms and arrangements, such as contractual arrangements with the private sector for public school infrastructure or school management, to operate public schools or manage certain aspects of public school operations.⁷ Public-private partnerships can also involve government purchases of education services delivered by private schools or private entities.⁸ Capacity-building initiatives, the training of public school teachers and curriculum enhancement programmes delivered by the private sector are other forms of public-private partnerships. Voucher systems, which provide government grants for students from low-income families to enrol in private schools, also amount to public-private partnerships. Another modality of public-private partnerships is the provision of cash and in-kind resources by private sector partners to complement government funding of public schools or "adopt a school" programmes.

45. In contrast, one important form of public-private partnership is private sector philanthropy: assistance provided by a private organization or individual ranging from scholarships and sponsorships to supplies, uniforms, teachers' fees, school facilities, furniture and equipment.

46. In its resolution 68/234, the General Assembly stated that partnerships were voluntary and collaborative relationships between various parties, both public and non-public, in which all participants agreed to work together to achieve a common purpose or undertake a specific task and, as mutually agreed, to share risks and responsibilities, resources and benefits. In the case of the right to education, of which society as a whole is a beneficiary, partnerships have a clear common purpose: to promote human development and social well-being. The norms and principles of the right to education provide a framework for partnerships to be predicated upon convergence rather than divergence of interest. The right to education is not a for-profit venture for public authorities. Nor should education be allowed to become a for-profit venture for private providers or partners.

⁶ Country experiences and issues of critical importance are examined in the report on the workshop, available from <http://ohrh.law.ox.ac.uk/summary-report-from-oxhrh-osh-online-workshop-on-the-challenges-of-public-private-partnerships-in-realising-the-right-to-education/>.

⁷ For example, charter schools (United States of America), concession schools (Colombia) and management of government schools (Lahore, Pakistan).

⁸ For example, Education Service Contracting (in the Philippines) and Fe y Alegría (in Latin America and the Caribbean and Spain, among others).

47. The Special Rapporteur considers that a critical appraisal of public-private partnerships in education is important for public policy responses. He outlines herein some areas which he considers to be of key importance in meeting the challenges of public-private partnerships in education.

IV. Key challenges

A. Financing education through public-private partnerships

Mobilizing maximum resources for education as a human rights obligation

48. Reduced public investment in education can be seen in many developing countries, resulting from privatization and public-private partnerships in education. Governments turn to donors, non-governmental funding and the private sector to overcome resource constraints. The Special Rapporteur emphasizes that devoting maximum resources to the right to education as a foundation for development is a human rights obligation of States. He commends the Incheon Declaration on inclusive and equitable quality education and lifelong learning for all, adopted at the World Education Forum in May 2015, in which Governments are encouraged to commit between 15 and 20 per cent of national budgets, or between 4 and 6 per cent of gross domestic product (GDP), to education. Public investment in education as a high development priority is not only a legal obligation of Governments, it is also their moral obligation to respect education as a public good.

49. Rather than relying on private financial support for education through public-private partnerships, Governments should mobilize maximum national resources for education. In a declaration of 7 July 2015, the participants in the Oslo Summit on Education for Development, held in July 2015, recognized that "the provision of education is a national responsibility". Governments can resort to many other modalities for enhancing national investment in education. They can increase tax-to-GDP ratios and stop giving tax incentives, including long tax holidays, to companies to solicit foreign investment. They can also gain by monitoring and controlling aggressive tax avoidance. The United Nations Conference on Trade and Development estimates that developing countries lose more than \$100 billion a year to tax avoidance, nearly half of which is lost from Africa.⁹

Voucher systems: a drain on public investment in education

50. Voucher systems, which support parents to send students to public or private schools, amount to public-private partnership arrangements, which promote privatization. The experience of Chile demonstrates the negative consequences of a voucher system in creating social stratification. Education service contracting in the Philippines, providing a public subsidy for each student opting to enrol in eligible private schools, is fraught with similar consequences, exacerbating inequities and social segregation.¹⁰ The Punjab Education Foundation in Pakistan, which sources funds from donors and financial institutions (in mixed loans and grants) and

⁹ See United Nations Conference on Trade and Development, *World Investment Report 2015: Reforming International Investment Governance*, (United Nations publication, Sales No. E.15.II.D.5) and High-level Panel on Illicit Financial Flows from Africa, "Illicit financial flows", African Union (2015).

¹⁰ See Asia South Pacific Association for Basic and Adult Education, "Gain or drain? Understanding public-private partnerships in education, a primer" (2013).

allocates vouchers to selected private schools, allows private individuals to manage government-created foundations as public-private partnerships, which is detrimental to public investment in education.

51. Governments should abolish voucher systems which support private providers at the cost of public education systems. States should instead take promotional measures in line with their obligations concerning the right to education, including through the introduction of schemes of financial support. Article 13 of the International Covenant on Economic, Social and Cultural Rights provides for "an adequate fellowship system" among its provisions on the right to education and, in its general comment No. 13 on the right to education, the Committee on Economic, Social and Cultural rights stated that "the fellowship system should enhance equality of educational access for individuals from disadvantaged groups". Similarly, article 3 (c) of the UNESCO Convention against Discrimination in Education lays down the criteria of "merit or need" with regard to "grant of scholarships or other forms of assistance to pupils".

Doing away with subsidies and financial support to private providers

52. Some Governments provide subsidies and financial support to private providers instead of investing in expanding educational opportunities in public education, thus neglecting or abandoning their core responsibility.

53. Public-private partnerships are increasingly promoted as a way to finance development projects. Donor Governments and international financial institutions, such as the World Bank, have set up multiple donor initiatives to promote changes in national regulatory frameworks to allow for public-private partnerships, as well as providing advice and finance to public-private partnership projects.

54. It has been found in a recent report on the nature and impact of public-private partnerships that they are, in most cases, the most expensive method of financing, significantly increasing the cost to the public purse, typically very complex to negotiate and implement, and all too often entailing higher construction and transaction costs than public work.¹¹

B. Fostering philanthropy

55. Philanthropy dedicated to social causes is a plausible dimension of public-private partnerships. True philanthropy is devoid of private interest and can support and supplement government investment in education, as well as the provision of education under public-private partnership arrangements. Educational establishments for philanthropic purposes, which are not profit driven but promote education as a social good, are valuable for generating social support for education. Public policies can foster foundations of public utility devoted to the cause of education.

56. Besides, corporate social responsibility can support the development of education and must be fully harnessed. All those valuing education as a public good and as a social cause, as against for-profit education, can be encouraged by an

¹¹ See Maria José Romero, "What lies beneath? A critical assessment of PPPs and their impact on sustainable development", European Network on Debt and Development (2015).

enabling environment and good governance to contribute to the development of education in innovative ways, such as creating a special trust fund for the purpose of maximizing national investment in education.

57. Many examples of philanthropy exist. For example, the Azim Premji Foundation in India cooperates with the Government in expanding education opportunities in the country.¹² The Fondation nationale des sciences politiques in France is another example of public-private partnerships in education serving the public purpose. Engaged in imparting quality and excellence in education, it also involves private support, serving education as a social cause rather than a commercial pursuit.

58. The modalities of public-private partnerships when local public authorities work with communities and NGOs to construct or establish schools are different to those in which Governments enter into partnership with individual proprietors or private enterprises. In some circumstances, community schools may be sources of innovation, leading to novel teaching methods, curricula or school management practices that can improve the public system. In that respect, the Special Rapporteur refers to the report of the Intergovernmental Committee of Experts on Sustainable Development Financing (A/69/315) in which it acknowledged that "philanthropy, i.e., voluntary activity by foundations, private citizens and other non-State actors, has significantly expanded in its scope, scale and sophistication". In its report, the Committee stated that policymakers had recently shown considerable interest in a class of development financing opportunities called "blended finance", which pooled public and private resources and expertise. Those included structured public-private funds and innovative "implementing partnerships" among a wide range of stakeholders, including Governments, civil society, philanthropic institutions, development banks and private for-profit institutions. The Committee further stated that "it is important to note, however, that poorly designed public private partnerships and other blended structures can lead to high returns for the private partner, while the public partner retains all the risks". Careful consideration needs to be given to the appropriate use and structure of blended finance instruments.

59. It is important to note that, in its general comment No. 13, the Committee on Economic, Social and Cultural Rights stated that it would consider "the effects of the assistance provided by all actors other than States parties on the ability of States to meet their obligations under article 13".

C. Quality imperatives and public-private partnerships in education

60. Without taking preventive measures against the deteriorating quality of education in public schools and lured by propaganda and false claims of better quality by private providers, Governments turn to the private sector in search of better management of education and even for running the education system.

61. A number of studies show that the quality of education provided in private schools is no better than those in public schools.¹³ In most countries in Europe, the

¹² The Azim Premji University was established by Karnataka Act No.14 of 2010 to "pursue any objectives as may be approved by the Government for enhancement of education and other development sectors in India".

¹³ See United Kingdom Department for International Development, "The role and impact of private

quality of education provided in public schools is much better than in private schools.

62. The Special Rapporteur considers it important to recognize that quality in education is not improved by resorting to public-private partnerships, but by employing qualified teachers, providing quality teaching material and allocating sufficient budgetary support to improve quality. Investments to improve quality are rarely made because most education budgets are consumed by recurring expenses.

63. Governments enter into contracts with the private sector for designing, financing, constructing and operating the infrastructure of public schools.¹⁴ Outsourcing non-educational services allows the private sector to provide services at costs that Governments can rarely match. School supplies, cleaning services, operating school canteens, student transport, computers and technology, or maintenance services are typical examples. It must be recognized, however, that the provision of non-educational services and constructing educational establishments in accordance with agreed norms and standards is a factor in quality education.

64. Policies in the areas of standardized tests and curricula, pedagogy and teacher evaluation are also increasingly being promoted and literally "sold" to Governments in both the global North and South by international institutions and education corporations and foundations, among other private actors. Along with the preparation and supply of learning materials, those policies affect the content and delivery of education, impinging on its very objectives.

65. The State must keep a permanent watch with regard to minimum standards in education. If Governments outsource educational services, such as curriculum development, textbooks and other learning materials, to be developed by the private sector, care must be taken to ensure that they meet local needs and national educational standards. In its general comment No. 13, the Committee on Economic, Social and Cultural Rights considered that "the failure to ensure private educational institutions conform to the 'minimum educational standards' required by article 13 (3) and (4)" of the International Covenant on Economic, Social and Cultural Rights constituted a violation of the right to education.

66. Public-private partnerships introduce the dynamic of competition into public education, with measures considered to be valuable to the market, for example, proficiency in mathematics and knowledge of English. That fosters a corporatist culture. Public-private partnerships can have repercussions for the objectives of education, given that private partners from business will lay greater emphasis on materialistic values as against the humanist mission of education, which must be respected in all schools, including those involving public-private partnerships.

67. Qualified and trained teachers are essential for ensuring quality. As recognized in the joint UNESCO-International Labour Organization recommendation concerning the status of teachers (1966), "advance in education depends largely on the qualifications and ability of the teaching staff in general and on the human, pedagogical and technical qualities of the individual teachers".¹⁵ However, "some

schools in developing countries" (2014).

¹⁴ For example, private finance initiatives in the United Kingdom.

¹⁵ Para. 4. The recommendation provides a basis for developing national laws applying to all teachers in both private and public schools.

forms of PPPs frequently employ personnel who lack training and/or qualifications".¹⁶

D. Public-private partnerships and skills development through technical and vocational education and training

68. An important role devolves on public-private partnerships in education in the field of technical and vocational education and training. Skills development programmes in that field necessarily involve close collaboration with industry and enterprises. The Special Rapporteur considers that this area has not received consideration commensurate with its importance in the context of public-private partnerships. It calls for much greater recognition and focus.

69. The institutionalized collaboration between institutions providing technical and vocational education and training programmes and enterprises or industry is very weak in most developing countries, whereas that collaboration is key to running such programmes fruitfully, as demonstrated by policy and programmatic approaches in developed countries. In conducting such programmes, where industry and enterprises collaborate with Governments, the driving spirit is the contribution to industrial and economic growth as an overall objective shared and jointly accomplished by public authorities and the private sector in both their interests.

70. Governments in developing countries can and should establish and strengthen public institutions providing technical and vocational education and training programmes, working closely with industry and enterprises with the objective of imparting skills and fostering entrepreneurship. Private sector involvement is crucial in addressing the challenges of the skills gap.¹⁷ Public-private partnerships in technical and vocational education and training can encompass all aspects of such training, including financing, infrastructure, quality control, in-service training of instructors and establishment and review of vocational trades and technical courses.

71. The dual system practised in industrialized countries, such as Australia, Germany and Switzerland, whereby students, while pursuing technical and vocational education and training programmes, also take on an apprenticeship in an enterprise, is premised upon public-private partnerships. There is huge potential for the private sector to contribute to infrastructure and equipment in schools, training programmes for instructors in technical and vocational education and training and giving students a stipend when they undertake training in an enterprise. Private partners from industry and enterprises should also contribute to developing technical and vocational education and training programmes in schools, in particular when they collaborate with foreign enterprises.

72. In Viet Nam, for example, multinational manufacturing companies have partnered with universities to provide specialized courses in the workplace to train workers in work-specific skills. Scaling up such partnerships more broadly, through cost-sharing models, provides an example of where the interests of the public and private sectors most closely align and should be emulated more widely.

¹⁶ Resolution 1.1 of the seventh World Congress of Education International, July 2015.

¹⁷ See Swati Sharma, "Public-private partnerships and skills development". Available from <http://ohrh.law.ox.ac.uk/further-background-papers-on-the-online-workshop-the-challenge-of-public-private-partnerships-in-realising-the-right-to-education/>.

73. The key importance of skills development is recognized in goal 4.4. of the proposed sustainable development goals: "By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship".¹⁸ The Special Rapporteur trusts that Governments in developing countries will be able to develop innovative modalities of public-private partnerships, harnessed for skills development, to respond to the imperatives of quality and the rising aspirations of young people.

V. International legal framework for the right to education, State obligations and public-private partnerships

74. Any modality or arrangement for public-private partnerships should always be driven by a human rights approach, giving paramount importance to the norms and principles of the right to education.

75. Universal access is an entitlement under the right to education. That right also empowers learners by providing the knowledge, values and skills needed to participate in society. Full consideration should be given to the impact of public-private partnerships in education on both those dimensions, bearing in mind State obligations to respect, fulfil and protect the right to education, for when a Government enters into partnership or joins hands with the private sector for the provision of education, those obligations remain constant. Public-private partnerships do not alter or diminish State obligations regarding the right to education, as laid down in international human rights conventions; on the contrary, the State remains accountable for its own actions, as well as those of its partner(s) and of all other providers of education within its jurisdiction. It must ensure that the right to education is respected protected and fulfilled, with the latter incorporating an obligation to facilitate and provide.¹⁹

76. When entering into partnership with private providers, the State should not divest itself of its responsibility. The European Court of Human Rights has held that, under the European Convention on Human Rights, a State cannot absolve itself from responsibility by delegating its obligations to private school bodies.²⁰ That position is also reinforced by the Guiding Principles on Business and Human Rights, which emphasize that, when States delegate their responsibilities to businesses, they remain responsible for ensuring that their human rights obligations are being met.

77. Governments cannot divest themselves of their core public service functions.²¹ The State has the principal responsibility for "the direct provision of education in most circumstances", on account of its international legal obligations.¹⁹

¹⁸ See A/69/L.85 for the draft of the sustainable development goals for transmission to the General Assembly at its seventieth session.

¹⁹ See Committee on Economic, Social and Cultural Rights, general comment No. 13.

²⁰ *Costello-Roberts v. the United Kingdom*, 25 March 1993, application No. 13134/87.

²¹ The Supreme Court of the United States stated in *Wisconsin v. Yoder*, 406 U.S.205, 92 S. Ct. 1526, 32 L.Ed.2d 15 (1972) that "Providing public schools ranks at the very apex of the function of a State," and "education is perhaps the most important function of State and local governments".

78. The State is responsible for providing the right to education as the apex of its public service functions; it also remains responsible when it provides such services in partnership with other education providers and non-State actors.

79. Where educational services are provided by private partners, States remain responsible for complying with human rights law. All arrangements for public-private partnerships in education, contractual or otherwise, are ipso facto subject to the norms and principles of the right to education. When collaborating with the private sector in discharging their public service functions, Governments cannot compromise on their international obligations regarding the right to education and must ensure that private providers also meet those standards.

80. A number of examples exist where public-private partnerships can be a social project for educational development, with the interests of various partners converging. For example, in Spain, contractual arrangements (*conciertos económicos*) between the regions and private education providers are a public-private partnership modality with agreed mutual rights and obligations.²² Similarly, "socialized education" in Viet Nam, seeking to increase financial and administrative support for schools from the community, is also a variant of a public-private partnership. Collaboration with communities based on social interest in education can lead to reinforcing public education systems.²³ The programme to improve learning outcomes in South Africa represents a unique partnership between public authorities and South African businesses and teacher unions as a way to progressively implement the obligation to provide free quality education.

81. The State should preserve the fundamental nature of the right to education as a societal or public good, rather than a private good. It is therefore important to develop a human rights-based understanding in relation to several crucial issues raised by public-private partnerships in education.

VI. Public-private partnerships in education: key principles

82. The concept of "private" in public-private partnerships must be looked at from the perspective of the human rights framework. A public service supplied by any private provider is a "public" function, for which they are socially responsible under human rights law. Any arrangement, contractual or otherwise, between the public (Government) and the private (a private entrepreneur, enterprise or entity) is and remains subject to human rights laws. All modalities and arrangements for public-private partnerships in education are therefore subject to the norms and principles of the right to education as being of overriding importance.

83. Public-private partnerships in education are not merely a matter of contractual arrangements in civil law, they are arrangements subject to human rights law, which remains of paramount importance.

84. The Special Rapporteur underlines the importance of the principles that govern the right to education and public-private partnerships in education.

²² See Organization Act No. 8/2013 for the improvement of quality of education.

²³ See Ta Van Tuan and Duong Thi Viet Anh, "Socialization policy and access of the rural poor to education in Vietnam", Privatisation in Education Research Initiative (2013).

Principle of participation

85. The principle of participation means exercising democratic citizenship, actively participating in the development of a country through a human rights-based approach. It does not mean profit-making while participating in education. No for-profit educational establishments should be allowed to operate in the name of participation in the education system.

Principle of social interest in education

86. When a private entity operates in education in collaboration with a public entity, the larger cause of education as a social good should not be compromised. The provision of education cannot be made subservient to private interests. Education is a public good and a social cause and public-private partnerships must be protected from the growing influence of a market-based model of private education.

87. Governments should ensure that public-private partnerships in education do not lead to the private sector building a stronghold in the education system through a process that is in fact geared to the advantage of private partners to the detriment of public education institutions and the public interest in education.

88. The norms and principles underlying the right to education should be fully respected in any arrangements of public-private partnerships in education. That should be the overriding concern in considering any proposal for such partnerships, in giving shape to them and throughout their operation.

Principles of social justice and equity

89. Public-private partnerships in education also present a number of concerns relating to social justice and human rights. States must ensure that education is valued and safeguarded as a public good. The principle of social justice, which is at the core of the global mission of the United Nations to promote development and human dignity, also underpins human rights.

Principle of progressive realization of the right to education as a State responsibility

90. The growing involvement of the private sector in education has come about because some States have been unable to adequately fund and develop their public education systems. However, when private providers, in partnership with Governments or alone, provide education, such provision must be considered merely to be a first step in the progressive realization of the right to education. Public planners must ensure that public-private partnerships or fee-based education systems are eliminated over time to avoid the inherent inequalities that such systems produce.

91. If a State enters into partnership with private providers, it must progressively assume full responsibility for the provision of education, as in the case of community schools built or run in collaboration with local authorities, which the Government takes over at a later date. Collaboration based on social interest in education can lead to public education systems being reinforced through public-private partnerships.²³

Principle of public accountability

92. Governments, and through them all providers of education, whether operating independently or jointly with Governments, remain accountable for respecting and fulfilling the right to education.

93. The accountability of Governments, linked to good governance and public-private partnerships, has been elucidated by the Prime Minister of India. In an address in 2013 he underlined the need to move forward from the “3 Ps: public-private partnerships” to the “4 Ps: people-public-private partnerships” necessary to bring about good governance, in which people remain at centre stage with a sense of ownership and Governments become accountable.

94. The Special Rapporteur emphasizes that accountability in education is part of the obligations of the State, so that Governments must be monitored and held responsible for their shortcomings in failing to fulfil their obligations for the realization of the right to free education and in failing to adhere to minimum educational standards of quality learning, even when outsourcing education to private actors.

95. The Special Rapporteur recalls the Incheon Declaration, in which “the fundamental responsibility” of Governments in implementing the future development agenda is reaffirmed, and the determination expressed “to establish legal and policy frameworks that promote accountability and transparency as well as participatory governance and coordinated partnerships at all levels and across sectors, and to uphold the right to participation of all stakeholders”.²⁴

VII. Regulating public-private partnerships and oversight and monitoring mechanisms

A. Regulatory framework for public-private partnerships in education

96. Regulating public-private partnerships in education is a complex and challenging task, given that, under such arrangements, public authorities operate jointly with private entities and share responsibility with them. Private partners may have different and even conflicting motives and interests, seeking profit rather than giving primacy to the social interest in education.²⁵ The State, however, remains the guarantor and regulator to ensure that the norms and principles of the right to education are respected in all situations, including public-private partnerships. Governments in developing countries lack the necessary expertise and experience when faced with the complex legal nature of public-private partnerships, and the specialized legal expertise available to multinational conglomerates operating in education may contribute to unbalanced public-private partnership agreements.¹⁰ Moreover, national legal frameworks for public-private partnerships must be in place before contractual agreements are negotiated.

²⁴ Incheon Declaration, “Education 2030: towards inclusive and equitable quality education and lifelong learning for all”. Available from en.unesco.org/world-education-forum-2015/incheon-declaration.

²⁵ Transparency International, *Global Corruption Report: Education* (Abingdon, United Kingdom, Routledge, 2013).

97. The corporate sector has a long track record of seeking to avoid being regulated and numerous corporations have sued Governments for attempting to implement regulations that could harm their profits. "More accountability of UN partnerships with the private sector requires governments to build the intergovernmental structures required for monitoring and oversight."³

98. The Special Rapporteur refers to the recommendations of the Council of the Organization for Economic Cooperation and Development on principles for public governance of public-private partnerships, dated May 2012, in which the Council noted that the public governance framework for public-private partnerships should be set and monitored at the highest political level, for "better outcomes for the society as a whole through greater accountability and social control", and underlined the importance of "strong public institutions".

99. The need for a sound regulatory framework was also recognized in the report of the Intergovernmental Committee of Experts on Sustainable Development Financing (A/69/315).

100. The Special Rapporteur has already mentioned that a differentiated approach to public-private partnerships is necessary to distinguish partners with private business interests in education from those committed to a social interest in education, especially those with a genuinely philanthropic spirit. Moreover, stakes in public-private partnerships in the case of technical and vocational education and training are very different from those in education at basic or higher levels.

101. Accordingly, the Special Rapporteur considers that regulations on public-private partnerships in education should include three elements:

- (a) Screening for all private partners engaged in for-profit businesses and pursuing private interests through a controlling environment;
- (b) Promoting and supporting contributions to education in a philanthropic spirit;
- (c) Creating an enabling environment to establish partnerships which promote technical and vocational education and training.

102. Laws and policies on public-private partnerships exist in many countries, but they are not adequate for facing the challenges that are emerging. In his earlier reports, the Special Rapporteur provided extensive guidance on the role of the State in regulating private providers (see A/69/402 and A/HRC/29/30). That advice applies equally to privately operated schools under a public-private partnership model and includes the need to ensure that public laws, policies and regulations prescribe in detail the rules under which public-private partnerships can be created, how they must operate, the standards that they must meet and the means by which they will be monitored.

103. In its resolution 68/234, the General Assembly also recognized the vital role played by Governments in promoting responsible business practices, including providing and ensuring enforcement of the necessary legal and regulatory frameworks in accordance with national legislation and development priorities.

104. Regulations must ensure that public-private partnerships in education are harnessed to the broader public interest and do not compromise the humanistic mission of education. They should be prescriptive as regards the norms and

standards for quality in educational institutions under such arrangements. Prescriptive regulations are specifically necessary when a Government enters into a contractual partnership with a private service provider for school infrastructure, to ensure that this meets the norms and standards of educational requirements, with specific norms for infrastructure for technical and vocational education and training.

105. Moreover, regulations should be prohibitive as regards, for example, ill-founded propaganda and commercial advertising in education, misleading claims as to quality education by private partners and the repatriation of surpluses by foreign-owned private institutions.

106. In addition to being prescriptive and prohibitive, regulations should also be punitive, with sanctions for fraudulent and corrupt practices, such as false declarations for tax evasion, and corrupt individuals and complicit companies, as is the case with other criminal acts.²⁵ Punitive regulations are necessary to control abusive practices by private partner(s). Those practices include corruption in procurement for schools infrastructure or in cross-border education, the false exaggeration of student results and other violations which result from for-profit corporate ownership.

107. The Special Rapporteur thus emphasizes the need for States to create a comprehensive regulatory framework to control public-private partnerships in education that is prescriptive, prohibitive and punitive.

B. Accountability and monitoring mechanisms

108. The failure to enforce and monitor the regulatory frameworks within which private schools operate has left the educational landscape open to corrupt practices and manipulation.²⁶

109. Regulations on accountability should prescribe disaggregated reporting on obligations, including financial reporting and performance measures. Those requirements should include human rights-based indicators and be sufficiently detailed to ensure that the right to education is being met.

110. The Special Rapporteur emphasizes the need for adequate reporting requirements and accountability mechanisms for public-private partnerships in education, so as to ensure the full compliance of private partners with the normative framework of the right to education, both as regards the global dynamics of public-private partnerships and public-private partnership arrangements at the national level.

111. States have the obligation under human rights law to establish conditions and standards for private education providers and maintain a transparent and effective system to monitor those standards with sanctions in case of abusive practices. That responsibility cannot be fulfilled through voluntary compliance systems or inadequate State monitoring and oversight.

112. It is important that States carefully enforce laws, rules and regulations through monitoring and enforcement. Governments should strengthen national human rights

²⁶ Geetha B. Nambissan "Low-cost private schools for the poor in India: some reflections" in *India Infrastructure Report 2012: Private Sector in Education* (New Delhi and Abingdon, United Kingdom, Routledge, 2013).

mechanisms or ombudspersons so that they function with a reinforced mandate. Moreover, parliamentarians have a crucial role to play in monitoring public-private partnerships, not only in adopting laws, but also in taking up questions related to the enforcement of laws, rules and regulations.

C. Monitoring public-private partnerships in education and the human rights treaty bodies

113. The repercussions of privatization in education and the need for regulation is increasingly being recognized by the human rights treaty bodies, notably the Committee on the Rights of the Child, the Committee on the Elimination of Discrimination against Women and the Committee on Economic, Social and Cultural Rights.

114. The Special Rapporteur welcomes such developments and considers it important to take this further and look into public-private partnerships in education, in view of their linkage with privatization and its repercussions for the right to education and for State obligations.

VIII. Justiciability and enforcement of the right to education under public-private partnerships

115. It should be mandatory for private providers to be transparent.²⁷ That is necessary to allow students, teachers and the community as stakeholders to take up with the public authorities those matters in public-private partnerships which are not in conformity with the right to education and seek remedies, especially in matters such as the management of schools under public-private partnerships. Care must be taken to ensure that negotiations for public-private partnerships are fully transparent and are not kept confidential.

116. Courts are recognizing that, when private providers contract to provide public services, they have an obligation not to impair human rights. In the case of the Juma Masjid primary school, where a public school was operated on property owned by a private trust, the South African Constitutional Court ruled that, while there was no positive obligation on the trust to provide education, there was an obligation on the trust not to impair the learners' right to basic education by evicting the school from its premises.²⁸ The Court held that the failure of a private textbook provider to deliver textbooks to all schools constituted a violation of the constitutional right to education, thus establishing that private providers become jointly responsible to the people whom they are serving. The Court also held that private companies providing a public service became accountable to the people in relation to the public power that they acquired and the public function that they performed. The commercial part of the organization "dependent on, or derived from, the performance of public

²⁷ See Committee on the Rights of the Child, general comment No. 16 (2013) on State obligations regarding the impact of the business sector on children's rights and the Guiding Principles on Business and Human Rights.

²⁸ See *Governing body of the Juma Masjid Primary School and others v Ahmed Asruff Essay N.O. and others*, case CCT 29/10 (2011).

functions is subject to public scrutiny, both in its operational and financial aspects".²⁹

117. Such cases create an important precedent that should be observed by all States. While the State retains primary responsibility for meeting its human rights obligations, whenever it enters into agreements with private providers, those agreements should stipulate that the private partner or company acknowledges the public responsibilities that they are taking on to respect the right to education.

IX. Public-private partnerships in the context of the post-2015 sustainable development agenda

118. The current euphoria for global partnerships in the post-2015 development agenda must recognize the challenges that public-private partnerships present to States, which must respect, protect and fulfil the right to education. Goal 4.1 of the proposed sustainable development goals states: "By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes", while proposed goal 17.16 stipulates that the global partnership for sustainable development be complemented by multi-stakeholder partnerships and that effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships, should be encouraged and promoted.

119. The Special Rapporteur shares the concern that, without clear lines of accountability, there is an imminent risk of the development agenda being unduly shaped by private sector financing, activities and priorities. There is a need to "establish and enforce ex ante eligibility criteria for private sector partnerships" and "the governance of UN partnerships with business must be rooted in the international human rights framework".³⁰ He considers it important to focus on State obligations for the right to education and for regulating public-private partnerships in education in the context of multi-stakeholder initiatives. Achieving universal free secondary education of good quality for all as a goal does not admit of any partnership that undermines or compromises providing education free of cost. The Special Rapporteur hopes that, following the adoption of the Incheon Declaration in May 2015, the adoption of the Education 2030 framework for action will lead to reinforced commitments by Governments to attaining the goal of universal quality education for all free of cost. Public-private partnerships in education should not be allowed to compromise education as a social cause.

X. Conclusions and recommendations

120. **The rapid expansion of privatization, owing to the deregulation and liberalization of the education sector, has led to a push towards more public-private partnerships. With a wide range of arrangements and modalities,**

²⁹ See *AllPay Consolidated Investment Holdings (Pty) Ltd and others v Chief Executive Officer of the South African Social Security Agency and others* (No 2) [2014] ZACC 12.

³⁰ Center for Economic and Social Rights and Third World Network, "Universal rights, differentiated responses: safeguarding human rights beyond borders to achieve the sustainable development goals" (April 2015).

public-private partnerships in education, linked to privatization, are becoming endemic at all levels. Lured by false propaganda, Governments turn to the private sector in search of financial support, better management of education and even for running the education system.

121. The Special Rapporteur stresses that the State is responsible for providing the right to education as the apex of its public service functions. Even when Governments collaborate with non-State providers in education through public-private partnerships, the State remains both the guarantor and regulator of the right to education, on account of its obligation to respect, protect, promote and realize the right to education. That education is provided through public-private partnerships does not change the nature of the right to education and the related obligations.

122. The corrosive impact of public-private partnerships in education needs careful consideration. It must not lead to public disinvestment in education to the advantage of the private sector; nor must the State relinquish responsibility for providing quality public education. It must not undermine the norms and principles of the right to education; nor must it negatively affect education as a public good. Governments should take full care that public-private partnerships in education are not intertwined with the commercialization of education.

123. The Special Rapporteur considers it important that Governments take a critical view of the euphoria around partnerships in the context of the sustainable development goals, analysing the implications of public-private partnerships for the right to education and the repercussions for education as a social good. For multi-stakeholder initiatives, as well as public-private partnerships, they should ensure that those partnerships do not impede access to quality education for all, free of cost, as called for in proposed sustainable development goal 4. The pursuit of private interests and the commercialization of education should have no place in the education system of a country or in any future education agenda.

124. Bearing in mind the above and the challenges highlighted in the present report, the Special Rapporteur offers the following recommendations.

125. A differentiated approach to public-private partnerships is necessary to distinguish partners with for-profit business interests in education from those who are committed to a social interest in education, especially those with a genuine philanthropic spirit. When seeking partners, States should accord priority to those who act out of philanthropic interest and solicit partnerships with those who act in a public spirit. Governments should foster philanthropy, encouraging its contribution to education as a social cause. They should also encourage community participation in education. Governments should ensure that public-private partnerships in education do not lead to the private sector increasing its influence over education systems at the expense of the public interest. The norms and principles of the right to education should provide a framework for partnerships to be predicated upon convergence rather than divergence of interests.

126. In all situations, public-private partnerships must be underpinned by State responsibility and social interest in education. States should also

recognize that, in the case of technical and vocational education and training, public-private partnerships have characteristics that are very distinct from those in basic or higher-level education.

127. Regulating public-private partnerships in education is a complex and challenging task and requires strong public institutions and a sound regulatory framework. Regulations must ensure that public-private partnerships in education are harnessed to the broader public interest and reflect the humanistic mission of education. Regulatory frameworks governing public-private partnerships in education should be centred on the concept of education as a social good. They should seek to ensure responsible business practices, with effective enforcement in accordance with national education priorities.

128. States must create a comprehensive regulatory framework to control public-private partnerships in education that is prescriptive, prohibitive and punitive. Laws and policies in many countries should be modernized to respond adequately to the challenges of public-private partnerships.

129. Regulations for public-private partnerships in education should be composed broadly of:

(a) Screening all private partners engaged in business and pursuing private interests through a controlling environment;

(b) Promoting and supporting contributions to education in a philanthropic spirit;

(c) Creating an enabling environment to establish partnerships that promote technical and vocational education and training.

130. States, in particular developing countries, must develop innovative modalities for public-private partnerships, harnessed for skills development, to respond to the rising aspirations of young people, with institutionalized collaboration between institutions offering technical and vocational education and training and enterprises. They should also valorize the social esteem of technical and vocational education and training and lay down a legal framework that makes it imperative for industry and institutions offering technical and vocational education and training to collaborate to their mutual advantage.

131. Governments should develop adequate reporting requirements and accountability mechanisms for public-private partnerships in education, so as to ensure the full compliance of private partners with the normative framework of the right to education, along with conditions and standards laid down by Governments. The State has the responsibility to establish an oversight mechanism for public-private partnerships in education and must ensure compliance with its laws.

132. Public authorities, parent-teacher associations, civil society groups and teachers' unions must closely monitor public-private partnerships in education. Public authorities should carefully review any commercial marketing and advertisement of education and take action in all cases of misleading claims as to quality, or any other fraudulent practices.

133. In continuity with the report on global corruption in education by Transparency International, UNESCO should undertake a full-scale investigation of corruption in public-private partnerships in education and expose any fraudulent and corrupt practices by private providers through its *Education for All Global Monitoring Report*.
134. Governments should strengthen existing human rights mechanisms, such as national human rights institutions and ombudspersons, or create special mechanisms to regularly oversee the operations of public-private partnerships in education, with *suo motu* investigatory powers to look into alleged violations by private partners and any abusive practices.
135. The human rights treaty bodies should give special consideration in their dialogues with States to examining their reports for linkages between public-private partnerships and increased privatization, with a view to identifying any repercussions for the right to education.
136. Parliamentarians, in particular members of education commissions or committees, play a key role in laying down regulatory frameworks for public-private partnerships in education. They should ensure that the right to education is fully respected, protected and fulfilled in their country.
137. Public-private partnerships in education should not lead to reduced government investment in education, but should be complementary to the maximum resources that Governments can provide for the right to education.
138. Public sector borrowing is normally the lowest-cost way to raise money and improving tax collection and reducing national and international tax avoidance can do more to increase education spending than any amount of private investment. Financial support for education can also be mobilized through corporate social responsibility.
139. The State remains primarily responsible for fulfilling the right to education on account of its international legal obligations. It must discharge its responsibility as the guarantor and regulator of education as a fundamental human right of every child.
140. Governments should exercise caution as to any advice offered by international organizations, such as the World Bank or the International Finance Corporation, or from private companies supported by them, to the effect that they should relinquish their responsibility for education to private actors. If such advice were sound, it would have been adopted by the wealthiest nations. Instead, the top-performing education systems in the world, in Asia, Europe and North America, are predominantly public systems.
141. States must expand public educational opportunities, recognizing the paramount importance of investment in education as their essential obligation. They must respond to the challenges of restoring public trust in public education systems as regards their capacity to provide quality education. Governments should recognize that the highest-quality education, for the lowest cost, universally available for all, will always come from an effective public system. Public-private partnerships may provide stopgap measures, as States work to progressively realize education systems that fully meet all aspects of the right to education.

142. The Special Rapporteur calls upon civil society organizations and the intellectual community, as well as students, parents and community associations, to expose the negative effects of public-private partnerships in education. He encourages them to voice their concerns more strongly and widely, as an essential function of the social compact for education, in an endeavour to forge a global movement against the negative impact and abusive practices of privatization and public-private partnerships in education, reducing it to a business. Their advocacy work for fostering social justice and equity is valuable to counter market-based approaches in education. Research, events and expert consultations on the effects of public-private partnerships in education and on the exercise and enjoyment of the right to education should be encouraged and supported.

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Programme budget for the biennium 2014-2015**Thirteenth annual progress report on the implementation of
the capital master plan****Report of the Secretary-General***Summary*

The thirteenth annual progress report on the implementation of the capital master plan is submitted pursuant to section II, paragraph 34, of General Assembly resolution 57/292. The report provides an update on the status of the project since the issuance of the twelfth annual progress report (A/69/360) and responds to requests contained in section VIII, paragraphs 9 to 14, of Assembly resolution 69/274.

The capital master plan was substantially completed in September 2014, in time for the opening of the sixty-ninth session of the General Assembly. From September 2014 until the time of preparation of the present report, the Office of the Capital Master Plan continued with the post-renovation activities and the financial and administrative close-out of the project.

Following the closure of the Office of the Capital Master Plan in July 2015, responsibility for implementing the remaining activities of the capital master plan — the removal of the temporary North Lawn Building, final landscaping and the security-related work at the 42nd and 48th Street entrances to the Service Drive — and any remaining financial and administrative close-out tasks has been transferred to the Office of Central Support Services.

The cost of all the post-renovation construction and close-out activities will be met from within the existing approved resources of the capital master plan project.

The financial position of the project remains consistent with the projection presented in the twelfth annual progress report (A/69/360), taking into account the decisions of the General Assembly in its resolution 69/274.

* A/70/150.



As at 30 June 2015, the cost to complete the capital master plan project was projected to be \$2,150.4 million (excluding the renovation of the Dag Hammarskjöld Library Building and the South Annex Building in accordance with General Assembly resolution 69/274), in line with approved resources in the same amount. Approved resources comprise the original budget of \$1,876.7 million and donations of \$114.3 million, plus interest income and the working capital reserve fund of \$159.4 million, excluding associated costs and the cost of the secondary data centre in the amount of \$158.9 million. At this point in time, with the closure of the Office of the Capital Master Plan, and over 99 per cent of the funds expended, the final cost overrun of the capital master plan is \$159.4 million, which represents an 8 per cent overrun compared to the approved original budget and donations.

The capital master plan has achieved its objective of renovating and modernizing the Headquarters compound during the construction phase, which ran from 2008 to 2014, despite the challenge of engineering a major upgrade of security standards in 2010 which required an additional year of redesign and construction work. The project also had to cope with the effects of Storm Sandy in 2012.

Table 2 of the Secretary-General's fifth annual progress report (A/62/364) showed the planned completion date of the capital master plan as being mid-2013. The renovation of the Headquarters was substantially completed by September 2014, when the general debate was able to be held in the renovated General Assembly Building and all the buildings in the adjusted scope of the project were occupied. This represents a delay of one year, which reflects the time spent to design and install the enhanced security upgrade, as well as to address the effects of Storm Sandy.

The many lessons learned and the experience gained during this unprecedented undertaking will be applied to future construction projects managed by the Secretariat.

I. Overview

1. The recently completed capital master plan has been the largest and most comprehensive construction and renovation project undertaken by the United Nations.
2. The project has met its objectives of honouring and preserving the original historic design of the Headquarters, while at the same time modernizing the facilities to meet current accessibility, safety, security and technological standards.
3. Planning for the capital master plan commenced in 1999, the Office of the Capital Master Plan was established in 2002 and the construction phase of the project spanned the period from 2008 to 2014.
4. The General Assembly requested the Secretary-General to submit annual reports on the progress, schedule, projected cost to completion, and financial status of the capital master plan. The present report is the thirteenth of such reports to the Assembly.
5. Since the issuance of the twelfth annual progress report (A/69/360) in August 2014, the General Assembly Building was completed and opened in time for the opening of the sixty-ninth session of the Assembly in September 2014 and most of the remaining work in other portions of the campus was completed between October 2014 and June 2015.
6. Several minor post-renovation construction activities have extended beyond the life of the Office of the Capital Master Plan, which closed in July 2015. These remaining activities will be managed by the Office of Central Support Services, with projected completion in late 2016.
7. The final cost of the capital master plan is \$2,150.4 million.¹ The amounts of \$139.8 million and \$15.0 million previously advanced by the Office of the Capital Master Plan to cover the associated costs and the secondary data centre, respectively, have now been financed separately by the General Assembly in accordance with its resolution 69/274. The following sections of the present report respond to the requests contained in section VIII, paragraphs 9, 11, 12, 13 and 14, of that resolution.

II. Project strategy and status

8. With the substantial completion and occupancy of the General Assembly Building in September 2014, the capital master plan started to draw to a close. Remaining work undertaken during the first half of 2015 included the opening of the visitors' concourse in January 2015, perimeter security work on First Avenue and the final completion of basement systems. The financial close-out of the project, which included the closure of open guaranteed maximum price contracts with the construction company, and payment of the major final invoices, also took place during the first half of 2015.

¹ The increase of \$0.4 million compared to the amount presented in document A/69/360 reflects voluntary cash contributions from some Member States to cover costs associated with the repair and maintenance of their in-kind contributions to the Organization.

9. The Office of the Capital Master Plan worked closely with the Procurement Division for the specification of work and contracting process for the demolition and removal of the temporary North Lawn Building, the final landscaping of the North Lawn and the remaining security-related works at the 42nd and 48th Street entrances to the Service Drive. That work is anticipated to start in 2015, but will not be completed until 2016, as described in sections III and IV below.

10. The project budget for the capital master plan in the amount of \$1,876.7 million was approved by the General Assembly in December 2006 in its resolution 61/251. The decision was based on the selection of the Secretary-General's recommended accelerated strategy IV, which was approved by the Assembly in December 2007 in its resolution 62/87, with no increase in the project budget it had approved the previous year.

11. Accelerated strategy IV and the enhanced security upgrade funded by a contribution of \$100 million from the host country required the following tasks to be undertaken, all of which have been completed as at the date of submission of the present report:

- (a) Leasing and fitting out off-site office swing space;
- (b) Moving office functions to swing space;
- (c) Renovating the Secretariat Building in its entirety;
- (d) Reoccupying the Secretariat Building;
- (e) Constructing a temporary building on the North Lawn for conferences, related support and certain offices;
- (f) Emptying the Conference Building by relocating meetings to the temporary North Lawn Building;
- (g) Renovating the Conference Building in its entirety, including executing the enhanced security upgrade subproject to strengthen the building;
- (h) Returning conferences and offices to the Conference Building;
- (i) Altering the temporary North Lawn Building to merge two rooms into a single space for an interim General Assembly hall;
- (j) Renovating the General Assembly Building, through substantial completion of construction;
- (k) Returning the General Assembly functions to the General Assembly Building;
- (l) Completing the construction of and utilizing the new south screening building, as well as the installation of bollards and other security devices on First Avenue between 42nd and 45th Streets and 47th and 48th Streets;
- (m) Final completion of activity in the General Assembly Building;
- (n) Final completion of the north screening building and installation of bollards and other security devices on First Avenue between 45th and 47th Streets.

III. Project schedule

12. The capital master plan has maintained the overall schedule reported in table 2 of the twelfth annual progress report (A/69/360). The current status of the schedule is presented in table 1 below.

13. Depending on successful contractual negotiations with the preferred vendor, construction activity for the remaining work relating to security on 42nd and 48th Streets is scheduled to commence in late 2015, with completion by late 2016.

14. Renovation of the Dag Hammarskjöld Library Building and the South Annex Building has been suspended because of security concerns, as reported to the General Assembly during its sixty-ninth and prior sessions, and future proposals will be submitted for approval to the Assembly outside of the scope of the capital master plan, in accordance with section VIII, paragraph 14, of Assembly resolution 69/274.

15. The temporary North Lawn Building will be demolished in accordance with the mandated scope of the project. On the basis of a request from the Department for General Assembly and Conference Management, in order to accommodate requirements during the general debate of the seventieth session, the commencement of the demolition of the North Lawn Building has been postponed until after the conclusion of the general debate. As at the date of preparation of the present report, planning for the demolition and removal of the building is under way, and a request for proposal has been issued to vendors. Depending on successful contractual negotiations with the selected vendor, the demolition project is expected to commence in October 2015 and to be completed in early 2016, followed by landscaping, to be completed by late 2016.

16. Interim measures have been undertaken under the limited occupancy concept (as explained in paragraph 63 below) for the relocation of the functions housed in the South Annex Building and the reconfiguration of the Dag Hammarskjöld Library Building, in view of the security concerns raised by the Department of Safety and Security.

Table 1
Projected schedule of the capital master plan

<i>Activity</i>	<i>As set out in A 62 364</i>		<i>As set out in A 63 477</i>		<i>As set out in A 64 346</i>		<i>As set out in A 65 511</i>		<i>As set out in A 66 527</i>		<i>As set out in A 67 350</i>		<i>As set out in A 68 352</i>		<i>As set out in A 69 360</i>		<i>As set out in present report</i>	
	<i>Start</i>	<i>Complete</i>	<i>Start</i>	<i>Complete</i>	<i>Start</i>	<i>Complete</i>	<i>Start</i>	<i>Complete</i>	<i>Start</i>	<i>Complete</i>	<i>Start</i>	<i>Complete</i>	<i>Start</i>	<i>Complete</i>	<i>Start</i>	<i>Complete</i>	<i>Start</i>	<i>Complete</i>
Construction of North Lawn Building	Early 2008	Mid-2009	Early 2008	Mid-2009	Mid-2008	Late 2009	Mid-2008	Late 2009	Mid-2008	Late 2009	Mid-2008	Late 2009	Mid-2008	Late 2009	Mid-2008	Late 2009	Completed	Completed
Secretariat Building	Early 2009	Early 2012	Early 2009	Early 2012	Late 2009	Mid-2012	Early 2010	Mid-2012	Early 2010	Mid-2012	Early 2010	Mid-2012	Early 2010	Mid-2012	Early 2010	Mid-2012	Completed	Completed
Conference Building	Mid-2009	Mid-2011	Mid-2009	Mid-2011	Late 2009	Late 2011	Early 2010	Early 2012	Early 2010	Late 2012	Early 2010	Early 2012	Early 2010	Early 2012	Early 2010	Early 2012	Completed	Completed
General Assembly Building	Mid-2011	Mid-2013	Mid-2011	Mid-2013	Late 2011	Late 2013	Early 2012	Late 2013	Early 2013	Mid-2014	Early 2013	Mid-2014	Mid-2013	Mid-2014	Mid-2013	Mid-2014	Completed	Completed
South Annex Building	Early 2011	Early 2012	Early 2011	Early 2012	Late 2011	Early 2013	Early 2012	Mid-2013	-	-	-	-	-	-	-	-	Suspended	Suspended
Dag Hammarskjöld Library Building	Early 2012	Early 2013	Early 2012	Early 2013	Early 2013	Early 2013	Early 2012	Late 2013	-	-	-	-	-	-	-	-	Suspended	Suspended
Completion of renovation of United Nations Headquarters	Early 2008	Mid-2013	Early 2008	Mid-2013	Late 2008	Late 2013	Mid-2008	Late 2013	Mid-2008	Mid-2014	Mid-2008	Mid-2014	Late 2008	Late 2014	Late 2008	Late 2014	Completed	Completed
Closure of the Office of the Capital Master Plan and handover to the Office of Central Support Services																	Completed	Completed
Demolition of temporary North Lawn Building and final landscaping																	On track ^a	On track
Security-related work at 42nd and 48th Streets																	On track	On track

^a The demolition of the temporary North Lawn Building and landscaping will be completed by late 2016. Although this reflects a deferral as compared to the original plan, owing to the need to continue using the North Lawn Building for requirements during the 2015 general debate, this activity will be completed within the overall time frame of the capital master plan, i.e., by late 2016.

IV. Remaining post-renovation activities

17. The remaining post-renovation activities to be undertaken by the Office of Central Support Services are listed below:

(a) Demolition of the temporary North Lawn Building. This task will include the relocation of the limited remaining functions, including offices for staff of the Department of Safety and Security, classrooms and teachers' offices, touchdown space and other offices, and the removal of the building. This task will be completed by early 2016;

(b) Site landscape work, including relocation of the exterior artwork and gifts. The preparatory work for this activity was completed by the Office of the Capital Master Plan and the work itself will be initiated by the Office of Central Support Services, but it can only be completed following the completion of task (a) above;

(c) Security-related work at 42nd and 48th Streets, including reconfiguration of the north and south entrances to the Service Drive to accommodate a loading dock at 48th Street and revised traffic patterns at 42nd Street. The work can only commence after the issuance of the necessary permits by the host city. It will require up to 12 months of construction time and is expected to be completed in late 2016.

V. Accountability

18. The capital master plan project was managed by the Office of the Capital Master Plan, with strategic guidance provided by the Office of the Under-Secretary-General for Management, which is responsible for the successful delivery of the capital master plan and has maintained a proactive role in monitoring and supervising the progress of the project to ensure that the remaining portions of the project are delivered on schedule and that project costs are well controlled and any risks are managed and mitigated.

19. In addition to the managerial arrangements discussed above, and as directed by the General Assembly in its resolution 57/292, the Secretary-General and the project's management team benefited from advice from an expert board of architects established by the Secretary-General in December 2009. The members of the Advisory Board for the Capital Master Plan were Kent Barwick (United States of America), Susan Kibue (Kenya), Stefan Kurylowicz (Poland), K.T. Ravindran (India), Anna Torriani (Switzerland) and Jaime Zettel (Brazil). The Advisory Board met nine times during the life of the project and provided detailed input to and feedback on the design and construction in progress.

20. Upon the closure of the Office of the Capital Master Plan in July 2015, the responsibility and accountability for certain post-renovation construction activities within the original project scope, together with other administrative tasks, have been transferred from the Office of the Capital Master Plan to the Office of Central Support Services.

21. The Under-Secretary-General for Management has been kept up to date on all the arrangements for the transition and is overseeing the orderly and timely conclusion of any remaining activities. To ensure an appropriate accountability mechanism, the Under-Secretary-General for Management continues to provide

overall supervision and is accountable for the completion of the residual activities of the capital master plan.

22. The Assistant Secretary-General for Central Support Services, who reports to the Under-Secretary-General for Management, has been entrusted with and is accountable for the day-to-day management of the remaining activities, updating the Under-Secretary-General on a weekly basis on their status and providing updates to the Management Committee.

23. As part of the close-out of the Office of the Capital Master Plan, numerous handover meetings were held between the Office of the Capital Master Plan and the Office of Central Support Services to discuss all the issues associated with the handover and maintenance of systems and equipment upon their completion and installation by the construction company. The Office of Central Support Services staff attended weekly meetings of the Office of the Capital Master Plan during the transition period in order to ensure a smooth and comprehensive handover of all responsibilities for the remaining activities of the capital master plan.

24. The Office of Central Support Services is responsible for managing the execution of the remaining scope. As part of the succession planning, technical and substantive expertise gained by staff of the capital master plan was retained by transferring them to supplement staff in the Office of Central Support Services for the completion of the remaining scope.

25. In addition, the Board of Auditors will continue to review and audit the financial aspects of the capital master plan as part of the financial statements until the final close-out of the accounts, which will occur after the last payments to the vendors are made. In addition, the Board of Auditors will undertake a substantive audit of the remaining activities of the capital master plan in the biennium 2016-2017.

VI. Benefits of the capital master plan

26. The capital master plan delivered the results and benefits expected by the Member States in accordance with relevant resolutions of the General Assembly. Prior to the capital master plan project, the conditions of the Headquarters complex rendered it unacceptable for continued use over the long term. Key buildings systems, including mechanical, electrical and waterproofing components, had severely deteriorated because of age and prolonged usage. Moreover, performance standards, codes and user expectations had all risen since the construction of the Headquarters complex, and the buildings no longer met minimum modern standards with respect to fire safety, security, energy conservation or accessibility for all persons. Because of such concerns, in September 2008 the host city issued a directive prohibiting visits to the Headquarters site by New York City public school students.

27. Problems included major leaks, falling concrete, cracked pipes, exploding steam valves, electrical failures, energy loss through ageing windows, inaccurate fire-alarm signals and incomplete or non-existent fire-sprinkler systems. Energy consumption costs were rising and it was estimated that 25 per cent of steam use was wasted through leaking valves or rusted piping. There were few energy sensors or controls at the Headquarters site. Substandard fire protection systems, the large

quantity of asbestos and the deficient security infrastructure could have had disastrous consequences.

28. The capital master plan rectified the aforesaid deficiencies through major repair and refurbishment to provide a safe, secure, appropriate and energy-efficient facility for the conduct of the vital business of the Organization. In addition, the aesthetic benefits of the project are reflected in a more comfortable, pleasant and ergonomic environment in the office spaces and meeting rooms and chambers. The restoration of the significant historic elements of the campus ensures that the United Nations Headquarters complex will be preserved for future generations.

29. The core refurbishments carried out under the capital master plan included:

- (a) Installation of elements against blast and terror attacks;
- (b) Elimination of all asbestos and hazardous materials from the campus and upgrading of all the infrastructure, which created a safer, healthier and cleaner environment;
- (c) Installation of a full sprinkler system and a complete fire alarm system;
- (d) Replacement of the heating, ventilation and air conditioning systems;
- (e) Upgrading of electrical wiring and panels;
- (f) Replacement of lighting and ceilings;
- (g) Refurbishment or replacement of damaged finishes;
- (h) Consolidation and modernization of data-distribution systems;
- (i) Improvements in signage, and bathroom and elevator upgrades.

30. Owing to the intergovernmental and legal status of the United Nations, the Headquarters is not landmarked by any single Government or jurisdiction. Because of this, the historic preservation of the United Nations Headquarters complex has been a voluntary decision taken by the General Assembly. The Headquarters site was worthy of a high level of restoration because it is such an iconic facility, so well known throughout the world. Each chamber required the careful restoration of each historic surface. All wooden desks, chairs, battens, trim and other objects were removed, stripped to the raw wood and then refinished. Years of dirt and grime were removed from all surfaces.

31. After the completion of the capital master plan, the Headquarters complex is energy efficient, free of hazardous materials and compliant with host city building, fire and safety codes, and provides full accessibility to all persons, as further detailed below:

- (a) The Headquarters complex meets all reasonable, modern-day security requirements;
- (b) The original architecture of this landmark facility was preserved to the greatest extent possible, as discussed in the preceding paragraph;
- (c) The most cost-effective and technologically viable means of implementation were selected and installed for all repair and refurbishment, resulting in:
 - (i) A minimum 50 per cent reduction in energy consumption;

(ii) A 45 per cent reduction in greenhouse gas emissions related to energy consumption (measured, in accordance with the World Resources Institute greenhouse gas protocol, as the combined effects of carbon dioxide, nitrous oxide and methane, reported in carbon dioxide equivalents);

(iii) A 40 per cent reduction in freshwater consumption (the same level of reduction reported in the previous report).

(d) The reductions in energy consumption were achieved mainly through various key initiatives, including:

(i) Replacement of the ageing and leaky exterior glass facades, which had reached the end of their useful life and required replacement for safety and security reasons;

(ii) Replacement of deteriorated and inefficient cooling equipment, which was also at the end of its useful life;

(iii) Installation of new electronic building management systems, which control energy usage by remote, programmable means and prevent waste;

(iv) Installation of new, high-efficiency lighting.

32. The reductions in freshwater consumption were achieved by installing:

(a) New low-flow and/or metered-flow lavatories, urinals and toilets;

(b) A new high-efficiency landscape irrigation system.

33. In addition, the renovated Headquarters complex was evaluated against various national rating systems around the world that measure the level of sustainability of building projects.^{2,3} The Headquarters complex in its entirety was evaluated as equivalent to "Gold" certification under the LEED methodology, and the Secretariat Building was rated at the "Platinum" level. The Headquarters complex also received the equivalent of the following high-level ratings: "Very good" under the BREEAM methodology, "A" under the CASBEE methodology, and "Four stars" under the Green Star methodology.

34. The capital master plan also improved physical accessibility to and in the Headquarters compound, which is now fully accessible to and usable by individuals with disabilities. The major areas of improvement achieved are:

(a) Entrances (including power-assisted doors at all major entrances);

(b) Horizontal circulation within the building, whereby doors will have proper adjacent spacing, width and pressure;

(c) Vertical transportation, with all elevators accessible and controls situated at appropriate heights;

² The system used in the United States of America is known as Leadership in Energy and Environmental Design (LEED). In the United Kingdom of Great Britain and Northern Ireland, the evaluation system is known as the Building Research Establishment Environmental Assessment Method (BREEAM). The system used in Japan is known as the Comprehensive Assessment System for Building Environmental Efficiency (CASBEE) and that of Australia is known as Green Star.

³ Because of the international status of the United Nations, certification of the capital master plan project was not sought from any national system.

- (d) An appropriate number of fully accessible toilet facilities;
- (e) Life safety systems, including speakers/strobes;
- (f) Signage at required minimum sizes, as well as Braille signage in English and French for all permanent information;
- (g) Enhanced support for T-switch-equipped assisted-listening devices, which enable direct transmission to assisted-hearing devices;
- (h) Podiums in all conference rooms have been lowered enough to allow ramp access.

VII. Oversight and audits

35. The Board of Auditors and the Office of Internal Oversight Services (OIOS) continued their audit work during the period since the issuance of the previous annual progress report.

36. The Board of Auditors audited the capital master plan project from March to May 2015. In its annual report on the audit of the capital master plan for the 12-month period ended 31 December 2014 (A/70/5 (Vol. V)), the Board concluded that the substantial completion of the capital master plan by September 2014 was a significant achievement given the project's complexity and its difficult start.

37. The cost structure analysed by the Board included the capital master plan project costs, the enhanced security upgrades project scope, the donations scope, the associated costs and the secondary data centre costs. The Board reported that the anticipated consolidated final cost of the capital master plan was \$2,309 million,⁴ which represented a reduction of \$65 million attributable to the exclusion of the renovation of the Dag Hammarskjöld Library Building and the South Annex Building from the scope of the capital master plan.

38. OIOS undertook several audits of the Office of the Capital Master Plan and issued separate audit reports on the guaranteed maximum price contracts for the renovation of the General Assembly Building and the Secretariat Building. In addition, OIOS issued an audit report on the overall close-out of the capital master plan. The results of the audits of the guaranteed maximum price contract for the General Assembly Building and of the close-out of the capital master plan were satisfactory. Further to the responses provided by the Administration, OIOS closed the two recommendations included in its audit of the guaranteed maximum price contract for the Secretariat Building.

39. Positive action has been taken by the administration in response to the recommendations of the Board of Auditors and OIOS, the implementation of which is described in section VIII below.

⁴ Including \$4 million related to the secondary data centre which was funded from the support account for peacekeeping operations.

VIII. Implementation of the recommendations of the Board of Auditors and the Office of Internal Oversight Services

A. Recommendations of the Board of Auditors

40. In its report on the audit of the capital master plan for the year ended 31 December 2014 (A/70/5 (Vol. V)), the Board of Auditors concluded that the substantial completion of the capital master plan by September 2014 was a significant achievement given the project's complexity and its difficult start. The Board also acknowledged that cost and time overruns that had occurred over the life of the project had been contained more successfully in recent years.

41. The Board noted that of nine recommendations for the periods ended 31 December 2012 and 31 December 2013, two (22 per cent) had been fully implemented, five (56 per cent) were under implementation, one (11 per cent) had not implemented and one (11 per cent) had been closed by the Board.

42. The Board indicated that, as the project was nearing completion and the amount of work remaining was significantly reduced, the corresponding level of funding risk was commensurately reduced. Although previous recommendations might no longer remain as important in the context of the capital master plan, they were highly relevant and important for the successful delivery of future capital projects, and for the delivery of the remaining works in scope.

43. The Board recognized positive developments in the areas of flexible working strategies, the risk-based approach to determining, allocating and reporting contingency funds, the asset investment strategy, the review of maintenance arrangements and the application of independent project assurance.

44. The Board specifically highlighted the significant achievement of the administration in substantially completing work on the General Assembly Building in time for the general debate to be held in it in September 2014, in view of the disruption caused by earlier project delays and the impact of Storm Sandy.

45. The Board's recommendations for the period ended 31 December 2014 were focused on the five following primary areas:

(a) Continuing to closely manage the remaining works to ensure delivery by December 2016 within budget;

(b) Managing and reporting that the project's outcomes have been delivered, including the financial and non-financial benefits expected and achieved from the investment in the capital master plan;

(c) Accelerating closure of the remaining capital master plan contracts to increase certainty around final project costs and to release any potential savings;

(d) Reporting the full amount of any savings arising from contract closure and introducing appropriate governance mechanisms to determine the use that can be made of such savings, including specific consideration of returning savings to Member States;

(e) Applying wider learning from the capital master plan, including lessons documented in the Board's recent lessons learned report, to future major projects.

46. With regard to the recommendation in paragraph 44 (e) above, the lessons learned from the capital master plan were incorporated by the Office of Central Support Services in a comprehensive set of lessons learned from recent projects undertaken by the Organization, annexed to the Secretary-General's report on the strategic capital review (A/69/760, annex II). In addition, the Office will include the list in the global guidelines for the management of construction projects, scheduled to be issued by the end of 2015. Additional applicable lessons learned from the Board of Auditors' recent lessons learned report will be incorporated therein as well.

B. Recommendations of the Office of Internal Oversight Services

47. The results of the audit by OIOS of the guaranteed maximum price contract for the General Assembly Building were satisfactory and IOIS did not include recommendations in its report. OIOS found that (a) the procurement of trade contractors by the construction company was effective, (b) the Office of the Capital Master Plan exercised adequate controls over invoice processing and (c) the controls over change orders were adequate.

48. The audit by OIOS of the guaranteed maximum price contract for the Secretariat Building originally included two recommendations which were subsequently closed in view of their full implementation by the Office of the Capital Master Plan. The deficiencies identified by the commissioning consultants were rectified and the remaining drawings and manuals that had to be provided were obtained and the retainage that was withheld until the delivery of such documents was released. It was acknowledged that punch-list items had been evaluated and rectified. It was also found that the process for preparation of the draft financial close-out statement was adequate.

49. The results of the audit by OIOS of the closure of the Office of the Capital Master Plan were satisfactory and the report did not include recommendations. OIOS found that (a) a close-out plan was in place and anticipated delays in closing guaranteed maximum price contracts were adequately addressed, (b) there were adequate arrangements for monitoring and overseeing the close-out plan, (c) the drawdown of human resources was generally conducted in line with the current staff rules and regulations, (d) arrangements were in place to maintain the new systems handed over to the Office of Central Support Services and (e) arrangements were in place for the archiving of records.

IX. Donations programme of the capital master plan and solicitation of voluntary contributions

50. As reported to the General Assembly in previous annual progress reports, the Secretariat collaborated with a number of permanent missions that expressed interest in providing additional voluntary contributions to the capital master plan in order to be identified as the donor of a specific room or space at Headquarters. The establishment of the donations programme for the capital master plan was in accordance with the decision taken by the General Assembly in its resolutions 63/270 and 64/228.

51. Since the issuance of the twelfth annual progress report, a number of spaces sponsored by Member States were inaugurated or rededicated in the General Assembly Building, including the Café Austria (Austria), the new lounge on the second floor to the south of the Plenary Hall (China), new furniture for a sitting area on the second balcony (Bangladesh) and the addition of a design element to an existing donation on the first floor adjacent to the delegates' entrance (New Zealand). In addition to the aforementioned new donations, the Secretariat cooperated with two Member States (Finland and Thailand) to renew past donations of lounge furniture which was placed in the General Assembly Building. The Secretary-General is thankful to all Member States that participated in the donations programme.

52. As at 30 June 2015, the donations received from Member States amounted to \$114.3 million. In addition, in-kind contributions received from Member States were evaluated at \$2.5 million. Since the issuance of the twelfth annual progress report, voluntary cash contributions in the total amount of \$410,000 were received from Member States for the conservation and maintenance of prior gifts.

X. Artwork and gifts

53. The renovation of the General Assembly Building required the removal of artworks that had been donated to the Organization over the years, primarily by Member States. A significant number of gifts situated indoors were relocated to the temporary North Lawn Building during the renovation period. In some cases, the original donor Member State agreed to retrieve the gifts for the purpose of restoration or cleaning.

54. Following the reopening of the renovated General Assembly Building in September 2014, the Secretariat worked closely with a number of Member States which had previously donated works of art to the Organization for the reinstallation and rededication of such works, including Armenia (the khachkar), Brazil (the War and Peace murals by Candido Portinari), Estonia (the installation entitled "Mother tree"), the Islamic Republic of Iran (carpets donated in 1953 and 2005), Kuwait (the Kuwaiti dhow), Latvia (the textile entitled "Hope"), Mexico (the Fraternidad mural, by Rufino Tamayo), Saudi Arabia (the kiswa) and Senegal (the tapestry entitled "Maagala tuuba").

55. The Secretary-General is extremely appreciative of the efforts undertaken by those Member States that retrieved gifts for conservation, cleaning and storage during the course of the capital master plan.

XI. Security concerns regarding the Dag Hammarskjöld Library Building and the South Annex Building

56. In section VIII, paragraph 11, of its resolution 69/274, the General Assembly requested the Secretary-General to engage in high-level conversations with the host city with a view to addressing the pending security concerns in relation to the Dag Hammarskjöld Library and the South Annex Buildings and to report on that matter in the context of the thirteenth annual progress report on the capital master plan.

57. In the light of studies undertaken to evaluate the resilience of the buildings to threats from adjacent roadways (see A/65/511, para. 78), it was determined that neither building could be successfully renovated, within reasonable costs, to achieve safe occupancy. This is attributable to the structure of the buildings themselves, which are relatively lightweight, and their proximity to the FDR Drive off-ramp.

58. As a result, as reported to the General Assembly in the ninth to twelfth annual progress reports (A/66/527, A/67/350, A/68/352 and A/69/360), design of the renovation of the two buildings was suspended.

59. In response to the request made by the General Assembly in its resolution 69/274 in April 2015, the Secretariat renewed its efforts to seek an understanding on measures which should be taken by the host country and the host city with a view to mitigating security concerns along 42nd Street. No further progress had been made on this matter at the time of submission of the present report.

60. In section VIII, paragraph 13, of resolution 69/274, the General Assembly requested the Secretary-General to submit, in the thirteenth annual progress report, measures being taken as well as those envisaged for the relocation of functions currently housed in the Dag Hammarskjöld Library and South Annex Buildings.

61. In paragraph 77 of the twelfth annual progress report (A/69/360), the Secretary-General informed the General Assembly of his intention to seek interim measures for the relocation of the functions housed in both buildings that would preserve the minimal functionality to safeguard and protect the Organization's staff and ensure continuity of functions.

62. Accordingly, in early 2015, the Secretariat commenced the planning and construction process to implement the relocation of some of the functions currently housed in those buildings in the most cost-efficient way and to limit the occupancy of the Library Building, as recommended by the Department of Safety and Security.

63. Limited occupancy is interpreted to consist of limited presence of staff in locations on the north side of the Library Building, with the south side reserved for non-staff use, such as storage of equipment and library materials. Limited occupancy precludes the use of the auditorium and the cafeteria, and large gatherings in the Library's fourth floor penthouse.

64. The classrooms and some offices previously located in the South Annex Building were relocated to the original North Lawn Extension Building, in the third basement area under the temporary North Lawn Building, and the interpreters' lounge and touchdown space were relocated to the 15th floor in the Secretariat Building.

65. In accordance with recommendations by the Department of Safety and Security, the Secretariat closed the main cafeteria in the South Annex Building in July 2015. Prior to the closure, the Secretariat worked with the food service vendor to create alternative food service arrangements which, as at the date of preparation of the present report, consisted of: (a) re-establishment of food service at the southern end of the fourth floor of the Conference Building, including pickup for online ordering (in the former location of the Staff Café); (b) establishment of a grab-and-go food service on the first basement level of the Secretariat Building (in the area formerly occupied by the Postal Service); and (c) establishment of an

online pickup and coffee and snack service at the northern end of the Secretariat lobby.

66. The limited occupancy concept is considered an interim solution that is independent of a long-term arrangement, yet compatible with all options previously presented to the General Assembly for long-term accommodation needs.

67. The cost of the interim arrangements for the Library and South Annex Buildings as detailed above is estimated at \$14 million, which has been met in full within the approved budget of the capital master plan. Of the \$14 million estimated cost, \$5 million were for alternative food service facilities, \$4 million were for reconfiguration of the Library Building and \$5 million were for the creation of alternative classrooms and lounge space on the third basement level.

68. Mindful of the request contained in section VIII, paragraph 12, of Assembly resolution 69/274 and taking into account the unresolved nature of the security concerns regarding the Library and South Annex Buildings, the Secretary-General remains of the view that unless such security concerns are resolved, the interests of the Organization would be best served through the incorporation of the library and cafeteria programmes in the future decision of the Assembly regarding long-term accommodation at Headquarters, as expressed in paragraph 76 of the twelfth annual progress report (A/69/360).

XII. Financial status of the capital master plan project

A. Status of assessments and sources of funding for the capital master plan

69. In section VIII, paragraph 15, of its resolution 69/274, the General Assembly noted the final cost of the capital master plan project as \$2,304.8 million, as presented by the Secretary-General in the twelfth annual progress report on the implementation of the capital master plan (A/69/360). Excluding the associated costs and the cost of the secondary data centre borne by the capital master plan (\$154.8 million), the project costs amounted to \$2,150.0 million. In paragraph 14 of the same resolution, the Assembly affirmed its commitment to the renovation of the Dag Hammarskjöld Library and the South Annex Buildings, and requested the Secretary-General to submit for its consideration and approval future proposals relating to the renovation of those two buildings as separate projects outside of the scope of the capital master plan.

70. Accordingly, the scope of the capital master plan project comprises (a) the original renovation work approved by the General Assembly, excluding the construction works of the Dag Hammarskjöld Library and the South Annex Buildings in accordance with General Assembly resolution 69/274, (b) the enhanced security upgrades project, which is fully funded by the host country, and (c) additional scope requested under the capital master plan donations programme, which is also fully funded.

71. As at 30 June 2015, there is no anticipated increase in the overall project budget. The expected cost to complete the scope of the capital master plan is \$2,150.4 million, including \$0.4 million of additional voluntary contributions

received from some Member States since the issuance of the last annual progress report.

72. The total approved funding for the capital master plan project amounts to \$2,150.4 million, comprising: (a) appropriations for the original project scope of \$1,876.7 million, (b) donations of \$14.3 million, including \$0.4 million received since the last annual progress report, (c) interest income and the capital master plan working capital reserve amounting to \$159.4 million and (d) funding of \$100.0 million for the enhanced security upgrades.

73. The funding in the amount of \$2,150.4 million has been applied in full to the renovation activities to meet contractual obligations as they fall due for payment.

74. At an anticipated final cost of \$2,150.4 million, compared to the approved original budget of \$1,876.7 million plus voluntary contributions totalling \$114.3 million, the project resulted in a cost overrun of \$159.4 million, or 8 per cent.

75. Table 2 compares the total approved funding for the capital master plan project with the expected cost to complete the project.

Table 2

Comparison of the funding for the capital master plan project and the expected cost to completion, as at 30 June 2015

(Millions of United States dollars)

<i>Description</i>	<i>Amount</i>	<i>References</i>
Total appropriations from 2004 to 2011	1 876.7	Resolutions 57/292, 59/295, 60/248, 60/256, 60/282, 61/251, 62/87 and 64/228
Voluntary contributions	14.3	Received under the capital master plan donations programme
Use of interest income (up to the end of 2015) and the capital master plan working capital reserve	159.4	Resolutions 66/258, 67/246 and 68/247 A
Funding for the enhanced security upgrades	100.0	Contribution by the host country
Total funding available	2 150.4	
Project cost of original renovation and scope, including the donations programme	2 050.4 ^a	
Cost of enhanced security upgrades	100.0	
Total project cost to completion	2 150.4	

^a This represents a reduction of \$64.6 million as compared with the figure contained in the previous progress report (A/69/360, table 3). The reduction of \$64.6 million reflects the net result of: (i) a decrease of \$65 million due to the exclusion of the Dag Hammarskjöld Library and South Annex Buildings from the scope of the capital master plan, as approved by the General Assembly in its resolution 69/274; and (ii) an increase of \$0.4 million in voluntary contributions, received since the last progress report.

76. As at 30 June 2015, an amount of \$0.4 million in assessments remained unpaid to the capital master plan for 2011 and prior periods. Voluntary contributions have been paid in full. The Secretary-General is very much appreciative of all the

contributions received from Member States, which have contributed to the successful implementation of the capital master plan.

B. Interest income, working capital reserve and cash balance

77. The amount of interest to be accrued on the balance of capital master plan funds by 31 December 2015 is expected to be \$114.4 million. In accordance with section IV of General Assembly resolution 68/247, the balance of the interest income up to the end of 2015 and the working capital reserve of \$45 million are being applied to the remaining cash balance for the corresponding remaining requirements of the capital master plan.

C. Capital master plan project expenditure and requirements for the remaining project period

78. The estimated final cost of the capital master plan project is \$2,150.4 million. As at 30 June 2015, cumulative expenditure incurred amounted to \$2,137.9 million, indicating that 99.4 per cent of the estimated cost to completion has been expended and committed. The latest status of the capital master plan expenditure and remaining requirements is summarized in table 3.

Table 3

Capital master plan project expenditure and requirements until completion, as at 30 June 2015

(Thousands of United States dollars)

Description	Expenditure	Remaining requirements	Total
	From project inception to June 2015	From July 2015 to project completion	
Capital master plan project			
Design contractual services	168 828.5		168 828.5
Staff costs for the Office of the Capital Master Plan	32 409.4	1 712.6	34 122.0
Support staff costs	15 107.6 ^d	141.0 ^b	15 248.6
Operating and other costs	12 545.6	510.0 ^c	13 055.6
Programme management and other consultants	52 929.8	3 316.0	56 245.8
Construction and pre-construction	1 364 646.3	49 702.5	1 414 348.8
Swing space costs (including rent)	554 600.8	—	554 600.8
Subtotal	2 201 068.0	55 382.1	2 256 450.1
Prior-period adjustments	9 204.0	—	9 204.0
Adjusted project expenditure	2 210 272.0	55 382.1	2 265 654.1

<i>Description</i>	<i>Expenditure</i>	<i>Remaining requirements</i>	<i>Total</i>
	<i>From project inception to June 2015</i>	<i>From July 2015 to project completion</i>	
Savings from cancellation of obligations	(172 371.1)	(42 900.0)	(215 271.1)
Subtotal	2 037 900.9	12 482.1	2 050 383.0
Enhanced security upgrade project	100 000.0	—	100 000.0
Total, capital master plan project expenditure	2 137 900.9	12 482.1	2 150 383.0

^a Secretariat staff from the Department of Safety and Security, the Office of Legal Affairs, the Office of Central Support Services (Procurement Division), the Office of Internal Oversight Services and the Office of Programme Planning, Budget and Accounts (Accounts Division) assigned to the capital master plan.

^b Secretariat staff from the Office of Programme Planning, Budget and Accounts (Accounts Division) and the Office of Central Support Services (Procurement Division).

^c Board of Auditors and operating costs.

79. Table 3 illustrates that the requirements for the project from July 2015 to project completion are estimated at \$55.4 million, or \$12.5 million net after the application of \$42.9 million of savings resulting from the cancellation of obligations.

80. The estimated remaining requirements relate to the post-renovation activities and interim arrangements for the Library and South Annex Buildings, as described in section XI above, as well as the closure and final reconciliation of all remaining contracts. As the project is nearing completion and over 99 per cent of the approved project funds have been expended, no potential increases in project costs or changes in the volume and scope of the works are anticipated at this time.

81. In July 2015, however, the Organization received a notice of arbitration as a third-party respondent to a dispute between the construction manager, Skanska, and one of its electrical trade subcontractors. As of the date of preparation of the present report, the Office of Legal Affairs was reviewing the matter and making arrangements for outside counsel to represent the Secretariat in the event the matter proceeds to arbitration pursuant to the arbitration rules of the United Nations Commission on International Trade Law.

XIII. Associated costs and secondary data centre

82. The overall associated costs expenditure amounts to \$139.7 million as at 30 June 2015. Compared to that reported in the last progress report (A/69/260, annex II), this represents a reduction of \$0.1 million owing to lower expenditure under the Office of Central Support Services and higher savings from cancelled obligations. No further expenditure is expected beyond June 2015.

Table 4

Summary of associated costs expenditure by department and office, net of savings from cancellation of prior-period obligations

(Thousands of United States dollars)

<i>Department office</i>	<i>Total expenditure as of 30 June 2015</i>
Department for General Assembly and Conference Management	2 911.1
Department of Public Information	24 253.8
Office of Central Support Services	27 453.5
Office of the Capital Master Plan	49 512.8
Office of Information and Communications Technology	2 615.5
Construction (Office of Information and Communications Technology)	6 185.4
Department of Safety and Security	26 808.2
Total	139 740.3^a

^a The reduction of \$71,700 compared to the associated costs estimated in document A/69/360 resulted from lower expenditure (\$71,300) under general temporary assistance in the Office of Central Support Services due to the early departure of the incumbent of one P-4 position (given the short work period remaining, the work was redistributed among existing staff) and higher savings (\$400) from cancellation of obligations under the Department of Safety and Security. These amounts will be included in the residual fund balance to be returned to Member States, as explained in paragraph 87 below.

83. The final cost of the secondary data centre, net of savings from cancellation of obligations, is \$19.3 million.

84. The associated costs (\$139.7 million) and the cost of the secondary data centre (\$19.3 million), totalling \$159.0 million, are funded from: \$4.2 million related to the secondary data centre from the support account for peacekeeping operations, in accordance with General Assembly resolutions 63/269 and 64/228; and \$154.8 million in accordance with section VIII, paragraph 16, of Assembly resolution 69/274.

XIV. Consolidated expenditure and requirements

85. As shown in table 5, the total consolidated expenditure as at 30 June 2015, which comprises the capital master plan project expenditure of \$2,137.9 million as discussed in section XII.C above, together with the associated costs of \$139.7 million and the cost of the secondary data centre of \$19.3 million (inclusive of \$4.2 million funded from the support account for peacekeeping operations), amounts to \$2,296.9 million.

86. The consolidated requirements from July 2015 to project completion amount to \$12.5 million as explained in section XII.C above, leading to final consolidated requirements of the capital master plan of \$2,309.4 million.

Table 5
Consolidated expenditure as at 30 June 2015 and projected requirements until project completion

(Thousands of United States dollars)

<i>Description</i>	<i>From project inception to June 2015</i>	<i>From July 2015 to project completion</i>	<i>Total</i>
Project costs			
Capital master plan project	2 037 901	12 482	2 050 383
Enhanced security upgrade	100 000	—	100 000
Subtotal	2 137 901	12 482	2 150 383
Non-project costs			
Associated costs	139 740		139 740
Secondary data centre	15 040		15 040
Subtotal	154 780		154 780
Consolidated total	2 292 681	12 482	2 305 163
Portion of secondary data centre funded from the support account for peacekeeping operations	4 228		4 228
Consolidated total, including portion funded from the support account for peacekeeping operations	2 296 909	12 482	2 309 391

87. The fourteenth annual progress report on the capital master plan will be submitted to the General Assembly at the main part of its seventy-first session. It is anticipated that the financial close-out of the capital master plan will be conducted after the remaining post-renovation activities have been completed and last payments to the vendors have been made, following which the Secretary-General would submit a final report to the General Assembly at the main part of its seventy-second session. Should there be a residual balance from the project funds and the associated costs, the amounts would be reported in the final financial statements and a proposal as to how the amounts could be returned to Member States included in the final report of the Secretary-General on the capital master plan.

XV. Action to be taken by the General Assembly

88. The Secretary-General recommends that the General Assembly:

(a) Take note of the progress made since the issuance of the twelfth annual progress report;

(b) Request the Secretary-General to submit to it at the main part of its seventieth-first session the fourteenth annual progress report on the status of the project, the schedule, the aggregate estimated cost to completion, the status of contributions, interest and the working capital reserve.